

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Wage Payment and Collection Act is
5 amended by changing Section 5 as follows:

6 (820 ILCS 115/5) (from Ch. 48, par. 39m-5)

7 Sec. 5. Every employer shall pay the final compensation of
8 separated employees in full, at the time of separation, if
9 possible, but in no case later than the next regularly
10 scheduled payday for such employee. Where such employee
11 requests in writing that his final compensation be paid by
12 check and mailed to him, the employer shall comply with this
13 request.

14 Unless otherwise provided in a collective bargaining
15 agreement, whenever a contract of employment or employment
16 policy provides for paid vacations, and an employee resigns or
17 is terminated without having taken all vacation time earned in
18 accordance with such contract of employment or employment
19 policy, the monetary equivalent of all earned vacation shall be
20 paid to him or her as part of his or her final compensation at
21 his or her final rate of pay and no employment contract or
22 employment policy shall provide for forfeiture of earned
23 vacation time upon separation.

24 Notwithstanding anything in this Act, an employer may
25 maintain and enforce written incentive or deferred
26 compensation plans which provide that the incentive or deferred
27 compensation for employees whose total compensation exceeds
28 \$100,000 per year may be payable after separation of employment
29 and may be subject to nonpayment under any specified terms and
30 conditions. Wages and final compensation, other than incentive
31 or deferred compensation, that an employee has already earned
32 during his or her employment shall not be restricted,

1 forfeited, or otherwise adversely affected by any written
2 incentive or deferred compensation plan and shall be payable in
3 accordance with this Act. An employee who is a party to a
4 written incentive plan or deferred compensation plan shall not
5 be precluded from filing a wage claim application with the
6 Department.

7 (Source: P.A. 83-199.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.